

## **BILL ANALYSIS**

C.S.S.B. 1804  
By: Harris  
Business & Industry  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently, a health care provider may contact an insurance carrier to get precertification or preauthorization for certain care. After receiving the preauthorization or precertification from the carrier, the services will be provided and billed to the insurance carrier. Later, however, the insurance carrier may dispute the treatment and services provided or refuse to pay them. This bill would clarify this section of the law.

The bill also amends the section to add that the Texas Worker's Compensation Commission may not prohibit the discussion of pharmaceutical services between an insurance carrier and a health care provider.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 413.014(e), Labor Code, to prohibit TWCC from prohibiting an insurance carrier and a health care provider from voluntarily discussing pharmaceutical services, either prospectively or concurrently. Provides that the insurance carrier is liable for health care treatment and treatment plans and pharmaceutical services that are voluntarily preauthorized and prohibits the insurance carrier from disputing the certified or agreed-upon preauthorized health care treatment and treatment plans and pharmaceutical services at a later date.

SECTION 2. Effective date: September 1, 2003; applicable to voluntary precertification requests occurring on or after the effective date.

### **EFFECTIVE DATE**

September 1, 2003

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The original bill provided for an alternative dispute resolution process and a modification in the filing of statements for supplemental benefits. The substitute deleted these provisions.